

June 15, 2017

Subject: Notice of Availability of a Draft Program Environmental Impact Report

Regarding the Proposed Statewide Regulations for the CalCannabis

Cultivation Licensing Program

To Interested Parties:

NOTICE IS HEREBY GIVEN that the California Department of Food and Agriculture (CDFA), as lead agency under the California Environmental Quality Act (CEQA), is making available a Draft Program Environmental Impact Report (PEIR) for public review. CDFA has prepared this Draft PEIR to provide the public, responsible agencies, and trustee agencies with information about the potential environmental effects of the proposed CalCannabis Cultivation Licensing program (Proposed Program). This Draft PEIR was prepared in compliance with CEQA and the State CEQA Guidelines (California Code of Regulations title 14, section 15000 et seq.). CDFA hereby invites comments on the adequacy and completeness of the environmental analyses in the Draft PEIR.

PROGRAM LOCATION: The Proposed Program would occur in various locations throughout the state of California at licensed medical and adult-use (nonmedical) cannabis cultivation and processing sites, and at other sites implementing the track-and-trace system.

PROJECT DESCRIPTION AND ENVIRONMENTAL REVIEW: The overall purpose of CalCannabis Cultivation Licensing is to ensure that commercial cannabis cultivation is performed in a manner that protects the environment, cannabis cultivation workers, and the general public from the individual and cumulative effects of these operations, and fully complies with all applicable laws. An additional purpose of the program is to establish a track-and-trace system to ensure that the movement of cannabis items is tracked throughout the production and distribution chain.

The Proposed Program involves adoption of regulations to establish and implement a licensing program for medical and adult-use (nonmedical) cannabis cultivation and a track-and-trace system to monitor the movement of cannabis and cannabis products from seed to sale, in compliance with the requirements of the Medical Cannabis Safety and Regulation Act (MCRSA) and the Adult Use of Marijuana Act (AUMA).

To meet CDFA's obligations under MCRSA, CDFA has developed proposed regulations that:

- Define key terms used in regulations for medical cannabis cultivation;
- Detail cultivation license types and their cultivation requirements;
- Specify the license application requirements and process under the Proposed Program;
- Identify allowable license combinations and limits, and the processes for license renewal,

denial, or revocation;

- Establish cultivation license fees;
- Establish environmental protection measures;
- Describe CDFA's inspection, investigation, and enforcement processes for licensed cultivation sites and licensees; and
- Specify requirements for cannabis cultivation licensees under the track-and-trace system.

The regulations that CDFA will develop pursuant to the AUMA are expected to substantially mirror the proposed MCRSA regulations and accomplish the same general purposes listed above. Public comments received and subsequent revisions to regulation will apply to both sets of regulations.

For cannabis cultivation, five general categories of license types will be issued: four categories distinguished by type of cultivation (outdoor, indoor, mixed-light, and nursery) and one category for processing of cannabis. Within these categories, different licenses will be issued based on factors such as canopy size, number of mature plants, and whether the cannabis is being cultivated for the purposes of medical use or adult (nonmedical) use.

CDFA would review cultivation license applications and issue or deny licenses, inspect cultivation and processing sites to determine compliance with regulatory requirements, and implement enforcement actions, which could include investigations, penalties, licensing actions, and/or destruction of cannabis plants and products.

The track-and-trace component of the Proposed Program would require that licensees tag each of their cannabis plants and subsequent cannabis products with unique identifiers so that any movement of cannabis or cannabis products may be traced throughout the distribution chain between licensees. All licensees—including those associated with aspects of cannabis commerce besides cultivation and licensed by other state agencies—would be required to use this system. In its proposed regulations, CDFA has established specific requirements for information that must be reported by the licensee for each movement of cannabis.

The release of the Draft PEIR triggers a 45-day public review and comment period to allow agencies and interested parties the opportunity to provide input on the environmental analyses, mitigation measures, and alternatives associated with statewide cannabis cultivation.

As the lead agency, CDFA has prepared the Draft PEIR in accordance with CEQA. This PEIR, when finalized and certified, will serve as a program-level EIR in accordance with State CEQA Guidelines Section 15168 or as a first-tier EIR prepared in accordance with State CEQA Guidelines Section 15152. The PEIR will provide a foundation for subsequent, more detailed evaluation of individual activities conducted under the Proposed Program. One of CDFA's intentions in preparing the PEIR is to minimize the amount of duplicate information that may be required in the future at a localized project level of environmental review by dealing as comprehensively as possible at the program level with the impacts of the Proposed Program, including cumulative impacts, considering regional issues and similar overarching issues.

DOCUMENT AVAILABILITY: The Draft PEIR and supporting documents are available for download from CDFA's CalCannabis Cultivation Licensing website: calcannabis.cdfa.ca.gov. Hard copies of the document can be reviewed at CDFA's offices in Sacramento (address shown below). To arrange to view documents at CDFA's offices during business hours, call (916) 263-0801. The document can also be reviewed electronically at libraries throughout the state that

serve as document repositories; for a full list of locations, refer to the CalCannabis Cultivation Licensing website. USB drives containing the document are available on request by phoning (510) 986-1852 or emailing calcannabis.peir@cdfa.ca.gov. A limited number of USB drives will also be available at the public meetings in Quincy, Weaverville, Monterey, and San Diego. Printed copies are also available at cost plus postage, upon request, by phoning (510) 986-1852 or emailing calcannabis.peir@cdfa.ca.gov.

PUBLIC REVIEW PERIOD: The Draft PEIR is available for a 45-day public review and comment period, which begins on June 15, 2017, and ends at 5 p.m. on July 31, 2017. **Please send comments on the Draft PEIR at the earliest possible date, but emailed or postmarked no later than <u>5 p.m.</u> on July 31, 2017. in order for your comments to be considered.**

Written comments may be submitted by email to: calcannabis.peir@cdfa.ca.gov. Emailed comments are preferred.

Comments may also be mailed to the following address:

California Department of Food and Agriculture ATTN: Amber Morris CalCannabis Cultivation Licensing Draft Program EIR Comments 1220 N Street, Suite 400 Sacramento, CA 95814

All comments should include your name, address, and daytime telephone number so a representative of CDFA can contact you if clarifications regarding your comments are required. All comments received, including names and addresses, will become part of the official public record. A Final PEIR will be prepared that will include responses to comments received during the public review period.

PUBLIC MEETINGS: All interested persons are encouraged to attend the public meetings to present written and/or verbal comments on the PEIR. Four public workshops will be held at the following locations and times:

- <u>Weaverville, CA:</u> Tuesday, July 11, 2017 from 6:00 to 8:00 p.m. at Weaverville Veteran's Memorial Hall, Veteran's Memorial Hall, 101 Memorial Lane, Weaverville, CA 96093.
- Quincy, CA: Thursday, July 13, 2017, from 6:00 to 8:00 p.m. at Plumas County Fairgrounds, 204 Fairground Road, Quincy, CA 95971.
- Monterey, CA: Tuesday, July 18, 2017, from 6:00 to 8:00 p.m. at Monterey Marriott, 350 Calle Principal, Monterey, CA 93940.
- San Diego, CA: Thursday, July 20, 2017, from 6:00 to 8:00 p.m. at Hilton Mission Valley, 901 Camino del Rio S, San Diego, CA 92108.

KEY PEIR CONCLUSIONS: Based on the analysis contained in the Draft PEIR, the Proposed Program would not result in any significant effects following application of mitigation measures. Because licensed cultivation activities under the Proposed Program may occur on a number of different sites

throughout the state, it is not possible to determine the presence of these site on any of the lists of sites enumerated under Section 65962.5 of the Government Code including, but not limited to, lists of hazardous waste facilities, land designated as hazardous waste property, hazardous waste disposal sites and others, and the information in the Hazardous Waste and Substances Statement required under subdivision (f) of that Section.

Sincerely,

Amber Morris, Chief

Branch Chief, CalCannabis Cultivation Licensing, CDFA

Locations where PEIR can be reviewed:

- Online: calcannabis.cdfa.ca.gov
- California Department of Food and Agriculture, 1220 N Street, Sacramento, CA, 95814, Suite 400 (by prior arrangement during normal business hours – call (916) 263-0801)
- Libraries throughout the state; see PEIR website (<u>calcannabis.cdfa.ca.gov</u>) for a list of locations